



DRAFT

3-5 Year Strategic Plan

This document includes Narrative Responses to specific questions that grantees of the Community Development Block Grant, HOME Investment Partnership, Housing Opportunities for People with AIDS and Emergency Shelter Grants Programs must respond to in order to be compliant with the Consolidated Planning Regulations.

GENERAL

Executive Summary

The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

3-5 Year Strategic Plan Executive Summary:

The Macomb HOME Consortium, comprised of the Urban County of Macomb, the Charter Township of Clinton, and the Cities of Roseville and Sterling Heights (see attached map) has prepared this Consolidated Plan (Plan), in order to qualify for CDBG, HOME, and other formula program funding administered by the U.S. Department of Housing & Urban Development (HUD). This Con Plan is effective from July 1, 2009 through June 30, 2014. The major findings contained in this Plan follow:

- 1) Macomb County is a good place to live, work and play, and continues to grow, albeit more slowly, due to a long and severe downturn in the regional economy. This has severely challenged the County's base economy (including housing and durable manufacturing) is at risk. Businesses have closed or moved away, and thousands of jobs have been lost or are threatened. Tax revenues are declining, despite increased demand for services. Our quality of life is threatened.
- 2) The County's housing market is beset with foreclosures in virtually every community and neighborhood, threatening their viability. Large numbers of available vacant homes can be found in each community, and there is little, if any, need for new single-family homes. The cherished dream of homeownership may be eroding, and the County's housing could, without a strong economic resurgence, become less owner-oriented and more rental in nature.
- 3) Worker lay-offs have led to increased unemployment claims and the exhaustion of benefits for those unemployed for a long time. Another result is burgeoning numbers of newly homeless families and families at risk of homelessness. This is unprecedented and must be addressed.
- 4) Despite a perceived increase in the number of "renter" households, they are still outnumbered by low-income (LI) homeowners. The proportion of LI families who rent exceeds that for LI owners. Homeowner (particularly homebuyer) and renter assistance programs are necessary.
- 5) Investors, possibly due to the large number of vacant available, foreclosures, have begun to purchase single-family homes, either to re-sell them for profit, or to rent them. It is probable that there are adequate numbers of rental units for the near future. There is no need for new housing in Macomb County at this time.
- 6) There is a demand for public facilities and infrastructure improvement throughout the communities that comprise the Macomb HOME Consortium.
- 7) There is a need for emergency services to help at-risk populations keep their homes, and for human services to help LI people cope with daily life.

The Macomb HOME Consortium has undertaken housing and community development programs for decades. It has repaired homes, promoted transitional housing, helped developmentally-disabled adults find adequate housing and achieve independence, constructed, improved and or expanded public facilities including parks and senior centers, constructed or improved streets, sidewalks and water and sewer facilities, and provided human services to address LI needs. This Plan continues, and will expand, these accomplishments.

Strategic Plan

Due every three, four, or five years (length of period is at the grantee's discretion) no less than 45 days prior to the start of the grantee's program year start date. HUD does not accept plans between August 15 and November 15.

Mission: The Macomb HOME Consortium will provide decent, affordable housing to LI residents within its jurisdiction, in accordance with the provisions of the National Affordable Housing Act of 1990, as amended. Consortium members will, moreover, use their community development resources in concert with their housing and community development partners, to promote decent housing and a suitable living environment for LI persons, in accordance with the Housing and Community Development Act of 1949, as amended.

General Questions

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed.

Macomb County encompasses a large geographic area. The County, located immediately north of the City of Detroit and east of Oakland County, is home to a large and diverse population. Approximately 50% of the County's land area is now developed. There are:

- older established communities settled over 100 years ago, which have been absorbed in the Detroit urban area.
- mature inner-ring suburbs, which grew out from the City of Detroit after World War II.
- newer, more affluent, communities on the developed fringes. One finds, even here, small concentrations of LI people or blight.
- rural areas. Income levels here vary; some are affluent but others are less so. Until recently even these communities were experiencing development pressures.

The Consortium will direct HOME and related resources, and individual members will direct CDBG resources, to assist LI households find decent, safe, sanitary, and affordable housing. Although some assistance (e.g. homeowner rehabilitation) will be provided on a first-come first-served basis, it is likely that much will occur in LI neighborhoods, as evinced by the following:

- The Consortium works with two Community Housing Development Organizations (CHDO's) and one sub-recipient to provide opportunities for decent housing.
- The County's housing rehabilitation program, although limited to income-eligible residents, has focused in LI and minority communities, with numerous minority beneficiaries. As mentioned, the Detroit Region (and Macomb County) are ground zero in the foreclosure crisis. The Federal government, consequently, awarded the County over \$20m [\$9.8m to the Urban County) in Neighborhood Stabilization Program (NSP) funding]. This increased the level of administrative responsibility and it was necessary to temporarily suspend the homeowner repair program. This program will resume, and will continue to receive funding. The County and the Consortium will meet Federal commitment and completion deadlines.
- Clinton Township, in partnership with Habitat for Humanity, provided CDBG funds for infrastructure improvements, and HOME funds to construct new homes in a LI, minority neighborhood. Ultimately 20 new LI affordable homes will be created.
- The City of Roseville is also providing HOME funds to Habitat for Humanity to build and rehabilitate LI-affordable homes. It previously worked in the Macomb Gardens area of the City, a historically LI and minority community. The current initiative will benefit the same

clientele. The City's housing commission has provided public and assisted housing opportunities for LI and minority households.

- The City of Sterling Heights will provide CDBG funds to repair homes owned and occupied by LI families, and HOME funds (in conjunction with Habitat for Humanity) to build additional housing. Its public housing commission has provided public and assisted housing opportunities for LI and minority renter households.
 - The Consortium provided \$554,253 to help Solid Ground develop the first transitional housing facility serving intact families in Macomb County. This partnership has worked both ways, since Solid Ground provided Match that allows the Consortium to undertake additional affordable housing projects. The facility opened in March 2009.
 - Each member supports programs assisting homeless and special needs people, plus essential human services to other LI residents, many of whom live in LI neighborhoods. These efforts, detailed later in this Plan, will continue.
2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) and the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs (91.215(a)(2)). Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.

Neither the Consortium, nor the County has EMSA designation, and do not therefore receive HOPWA funding. This item is therefore not applicable.

3. Identify any obstacles to meeting underserved needs (91.215(a) (3)).

Despite best efforts, there are unmet needs in Macomb County. A summary follows:

- a. Available funding limits services to only fraction of those in need - Inadequate, even in the best of times, fund availability has decreased, eroding our ability to serve those in need. A severely distressed economy has caused a converse curve, with high demand for services more than offset by diminished resources to meet them.
- b. The economic base is challenged by a restructured (and recessionary) global economy - The County's manufacturing base, and the accompanying well-paying jobs that went with it, has been seriously eroded. Tax revenues have declined, as have municipal ability to provide essential services, as have individual family fortunes. Macomb County is aggressively promoting business retention and attraction, but expects several more lean years before improvements occur.
- c. Municipalities are being forced to cut staff and services – Reduced tax revenues mean fiscal distress, and the County and every municipality have been forced to make unhappy choices, including reorganizations and staff reductions. The net effect reduces local capacity and therefore service efficiency. It is therefore not possible to maintain or expand services.
- d. A lack of adequate and reliable public transportation, and affordable quality day care, in Southeast Michigan - inhibits the ability of LMI people to obtain jobs and essential services.

More detail may be found in the two attached Focus Group meeting summaries (**Attachments A and B**).

Managing the Process (91.200 (b))

1. Lead Agency. Identify the lead agency or entity for overseeing the development of the plan and the major public and private agencies responsible for administering programs covered by the consolidated plan.

The Macomb HOME Consortium has designated the Urban County of Macomb as its lead entity. The Macomb County Board of Commissioners designated the County's Department of Planning and Economic Development (DPED) as the entity responsible for developing this Plan and administering its CDBG Program and the HOME program on behalf of the Consortium. DPED has a long and successful history in program administration, has worked with a number of public and private partners, and has the requisite capacity to administer a HOME program on behalf of the Consortium.

2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.

This Plan was developed over an extended period of time, starting in February 2009, with several public hearing and 2 focus group meetings to obtain public and stakeholder comments concerning housing and service needs in Macomb County.

- Staff consulted with other Departments in order to obtain the most accurate information possible.
- An extensive process of citizen and stakeholder input ensued, with four hearings and Focus Group meetings to obtain stakeholder views on housing and service needs.
- Other discussions involved the Consortium's membership at periodic meetings and individual members posited their Annual Plans on their respective websites.
- Information sharing and discussion among Consortium members during Plan development.

This process ensured presentation and coverage of all issues to affected residents and stakeholders, with opportunity for their review and comment.

3. Describe the jurisdiction's consultations with housing, social service agencies, and other entities, including those focusing on services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, and homeless persons.

Formal and informal consultation occurred with housing and social service agencies during Plan development. This included the previously mentioned focus group meetings and informal, ad-hoc discussions. As noted, valuable insights were obtained and incorporated into this Plan.

*Note: HOPWA grantees must consult broadly to develop a metropolitan-wide strategy and other jurisdictions must assist in the preparation of the HOPWA submission.

Citizen Participation (91.200 (b))

1. Provide a summary of the citizen participation process.

The chronology describes the times, and venues for the various aspects of public participation process:

- a. December 1, 2008 – Citizens Advisory Committee Meeting – Sterling Heights
- b. February 6, 2009 – Public Hearing/Focus Group (Housing), 10:00 am
- c. February 6, 2009 – Public Hearing/Focus Group (Services), 1:30 pm.
- d. March 9, 2009 – First Clinton Township Public Hearing.
- e. March 17, 2009 – Sterling Heights Public Hearing (City Council).
- f. April 6, 2009 – Second Clinton Township Public Hearing.
- g. April 14, 2009 – 1st City of Roseville public hearing.
- h. April 17, 2009 – Public Hearing

- i. April 20, 2009 – Public Notice inviting citizen review and comment in Macomb Daily. Document posted on County website.
 - j. April 21, 2009 – Consortium Board of Director review session.
 - k. April 28, 2009 – 2nd City of Roseville public hearing re: Consolidated Plan.
 - l. May 20, 2009 – Final Public Hearing (Scheduled)
 - m. May 13, 2009 – Plans reviewed by PED Committee, County Board of Commissioners.
 - n. May 21, 2009 – Plans reviewed by County Board of Commissioners
 - o. May 22, 2009 - Submission of Consolidated and Annual Plans to HUD.
2. Provide a summary of citizen comments or views on the plan.

Apart from stakeholder input obtained at the focus group meetings, there were **to be determined comments** received (see **Attachments A and B**).
3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.

The Consortium expanded and varied the number, location and time of the meetings to obtain input from racial and ethnic minorities, special needs (including the disabled) populations including the elderly, homeless and those at risk of becoming homeless. The reader is referred to **Attachments A and B** for detail of the focus group meetings.
4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

To be determined.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

Institutional Structure (91.215 (i))

1. Explain the institutional structure through which the jurisdiction will carry out its consolidated plan, including private industry, non-profit organizations, and public institutions.

The Consortium's member communities have well-established and successful housing and community development histories. Each municipality is chartered under State and local law to receive and administer grant funds. Each has worked in concert with the other municipalities and with non-municipal partners to extend program efficiency, scope and reach. Partnerships extend to housing developers, public housing commissions, service providers, homeless advocates, and profit and non-profit institutions of all stripes. Any actions undertaken occur by staff, acting at the directive of their legislative bodies and executive officers.
2. Assess the strengths and gaps in the delivery system.

The delivery system is strong but is challenged (see General Question 3, p. 3 above). The working relationships established between partners are noteworthy, having resulted in the creation of the Consortium, the Macomb Homeless Coalition (MHC), effective interdepartmental cooperation that combines resources to further Program objectives, and inter-agency interventions. The Consortium also meets with the Cities of Warren and St. Clair Shores on matters of mutual concern, and the County meets with its Urban County peers for the same purpose. We are currently exploring, with the United Way of Southeast Michigan, ways to identify service gaps and fill them.

The system is hindered by time and growing resource constraints, which impede cooperation among partners. Each has its own mandates, making it difficult to achieve the inter-organizational alignment necessary to address shared issues. Another constraint boils down to having insufficient money to

address all needs. This forces hard choices between high priority needs and objectives, often diminishing opportunities for cooperation.

3. Assess the strengths and gaps in the delivery system for public housing, including a description of the organizational relationship between the jurisdiction and the public housing agency, including the appointing authority for the commissioners or board of housing agency, relationship regarding hiring, contracting and procurement; provision of services funded by the jurisdiction; review by the jurisdiction of proposed capital improvements as well as proposed development, demolition or disposition of public housing developments.

Of the seven housing commissions in Macomb County, six serve the Consortium. Each commission serves a separate community and has varying levels of resources. Each administers a Low Rent Public Housing (LRPH) and four administer Section 8 Housing Choice Vouchers. All tolled, roughly 1,300 units administered by these entities. The County has no housing commission of its own and relies on MSHDA to provide necessary assistance. This arrangement has worked well, adding another 900 units to the mix of assisted housing. Finally, although not a housing commission, the CoC has obtained 150 HARP Vouchers to house homeless families and individuals. All tolled, roughly 2,350 units of public and assisted housing have been provided in Macomb County.

It is difficult, for reasons cited in item #2 above, however, for the Consortium and the housing commissions to collaborate on a sustained basis, apart from sharing information and supporting each other's projects. It is virtually impossible, given restricted funding, for example, to address public housing concerns. The Consortium continues, when possible, to support public housing and the neighborhoods surrounding it.

Additional specific implementation strategies follow:

- a. Each Consortium member allocates its HOME funds (based on HUD formula data) for specific projects. Although DPED manages the HOME Program for the Consortium, each member is responsible for individual project compliance. Matters of policy, general administration, program direction, and fund redistribution are deliberated and decided by the Consortium, through its Board of Directors.
- b. Each member implements its wholly separate CDBG program, working with local public and private partners to implement and expand housing and community development activities. Non-HOME opportunities may, on occasion, be discussed and acted upon at the Board meetings.
- c. The Consortium contacts non-participating municipalities, regional bodies, businesses and non-profit organizations to solicit support and partnership, and expanding stakeholder roles.

Monitoring (91.230)

1. Describe the standards and procedures the jurisdiction will use to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.
3-5 Year Strategic Plan Monitoring response:
 - a. Consortium: Although individual members determine their projects, effective Program controls are in place. Macomb County, as lead entity, tracks expenditures and general progress, and ensures overall compliance. Each partner, however, is responsible to successfully and compliantly implement its HOME projects. This occurs in a variety of ways:
 - The County monitors fund use to ensure timeliness, and monitor compliance with HOME requirements including continuing affordability, affirmative marketing, procurement, and Labor standards, and shares the results with members.

- Each partner implements projects using its staff and using local procedures. The County uses documentation, e.g. labor certifications, invoices and the like, to monitor individual projects for compliance. Each community corrects emergent problems, and the County provides technical assistance, as necessary.
- The County monitors (and provides technical assistance for) CHDO activities as prescribed by regulation but also based on assessed risk. It will monitor more frequently, if needed.

b. Each member: is responsible for monitoring CDBG program implementation in its entirety.

Priority Needs Analysis and Strategies (91.215 (a))

1. Describe the basis for assigning the priority given to each category of priority needs.
2. Identify any obstacles to meeting underserved needs.

3-5 Year Strategic Plan Priority Needs Analysis and Strategies response:

Based on the advice and comments received from residents and stakeholder organizations, and using general knowledge of conditions and needs in the community, the Consortium established the following overarching housing and community development priorities. Please refer to the preceding narrative in “Managing the Process” for detail. The Consortium and its individual members expect to address each of these priorities during the life of this Plan.

Priority Objective #1 – Address the Foreclosure Crisis

There were over 11,000 foreclosures in Macomb County between 2005 and 2008. This was much higher than the national average for the same period, and has had catastrophic consequences for the families affected, for their neighbors, for the lending community, and for municipalities. Foreclosures threaten community viability. This challenge cannot go unmet. Meeting this challenge is therefore our #1 priority.

Priority Objective #2 – Housing

The maintenance and preservation of housing for all residents but particularly affordable housing for LI owners and renters is a high priority of this Plan. Buffeted by hammer blows due to economic restructuring and a global financial crisis, many formerly self-sufficient families have lost, or are in danger of losing, their homes. These newly homeless, and at-risk, families require assistance to maintain their dignity and preserve what has become a tenuous grip in the economic mainstream.

Families face economic uncertainty due to stagnant or declining incomes resulting from un- or under-employment, plus losses of health and other benefits. These families, too, are at risk. **Housing is, consequently, the second priority (and closely related to Priority #1) for the Macomb HOME Consortium and its individual members.** Over the life of this Plan, the Consortium and its members will implement programs to assist existing homeowners, those aspiring to be homeowners, and renters seeking to afford decent rental housing. Home maintenance and chore services, acquisition and repair, and new construction on a limited scale will also be offered.

The MHC, and its members, may assist homeowners, and those who want to become homeowners, with:

- 1) housing repairs,
- 2) home maintenance and chore services,
- 3) limited new construction, and
- 4) down-payment assistance.

Rental assistance may include:

- 1) acquisition and (if necessary), repair, and
- 2) Housing Choice Vouchers and tenant-based rental assistance to prevent homelessness,
- 3) development of new, or rehabilitation of substandard existing, rental units.

Priority Objective #3 – Public Facilities and Infrastructure

Community and stakeholder feedback indicate a need for public works and improvements throughout the County. The public demands that facilities and infrastructure be maintained and installed as appropriate to meet existing and increased needs. This Plan will focus on maintaining and improving existing (and creating new) public facilities and improvements that primarily serve LI people, or which are located in blighted neighborhoods. **The third priority is therefore to maintain and improve existing, and create new public facilities and infrastructure in LI and/or blighted areas.**

Priority Objective #4 – Address the Needs of the Homeless and At-Risk Families

Homelessness is increasing in Macomb County. There were 1176 homeless persons in the County, including 125 families, 165 children, and 353 chronically homeless people in the County, according to the January 2009 Point-in-Time survey conducted by the MHC. This figure excludes those who are sporadically homeless, temporarily housed, illegally squatting in foreclosed properties, or who have special needs. The result is an undercount, and possibly inadequate support systems. **Programs to assist the homeless, and prevent homelessness among at-risk populations, including those with special needs, are therefore the Consortium's fourth priority.** Those with special needs are also a focus of this objective, which overlaps with Objective #1).

Priority Objective #5 – Provide and Expand Human Services

Community and stakeholder feedback also indicate a strong need for improved human services, particularly as they relate to individuals and families made homeless, or who risk homelessness due to job loss or underemployment. Those affected spend inordinate amounts of time seeking essential services only to find them not offered or inaccessible. Municipal resources are overextended, despite the compelling need to serve these people. **The Consortium has therefore made providing and expanding human services to LI people, particularly those with special needs and those at risk of homelessness, this Plan's fifth priority.**

Priority Objective #6 – Expand Comprehensive Planning & Management & Capacity Development

We need be able to effectively anticipate and address the rapidly changing economic, social and demographic environment in the County. Similarly, we need new and effective tools to ensure effective municipal service delivery to County residents. This is an essential to our future. **Comprehensive planning and management and capacity development is therefore our sixth priority.**

Priority Objective #7 – Encourage Business Retention & Attraction

Changes to global business practices have devastated our economy. As a result, many families are unemployed or face unemployment. The County's Board of Commissioners acknowledged these hardships and directed MCPED to **Encourage Business Retention and Attraction in Macomb County to provide jobs to all residents, particularly those from lower-income households. This is therefore our seventh priority objective.**

Lead-based Paint (91.215 (g))

1. Estimate the number of housing units that contain lead-based paint hazards, as defined in section 1004 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, and are occupied by extremely low-income, low-income, and moderate-income families.

In 2000, there were 234,819 housing units in Macomb County. Of those, 187,855 were built before 1979 and may contain lead-based paint (LBP). It has been estimated that 74% of pre-1979 homes (or 139,012 units) have varying amounts of LBP. Of those, 44,568 were constructed before 1950, when concentrations of lead were generally highest. It is assumed that 90% of these units (or 40,111 units) have LBP, and as many as 75% of them (or 33,426 units) are occupied by LI families. If this is correct, then 33,426 households reside in homes with high LBP concentrations.

2. Outline actions proposed or being taken to evaluate and reduce lead-based paint hazards and describe how lead based paint hazards will be integrated into housing policies and programs, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and

hazards.

The Consortium and its members adhere to the Lead Safe Housing Rule (LSHR). All rehabilitation inspectors are trained and certified in LSHR practices. They inspect each property for deteriorated paint and issue pamphlets to every applicant for housing assistance. They use State-licensed risk assessors to identify LBP hazards in properties being considered for rehabilitation assistance. The results are used to develop effective treatments, and lead safe practices are applied in all rehabilitation work when appropriate. Follow-up testing ensures clearance when such work is completed. This process ensures the identification and removal of lead hazards.

The Consortium, moreover, ensures compliance in CHDO-administered programs. Technical Assistance is provided to CHDO's when necessary. No further actions are therefore necessary.

HOUSING

Housing Needs (91.205)

*Please also refer to the Housing Needs Table in the Needs.xls workbook

1. Describe the estimated housing needs projected for the next five year period for the following categories of persons: extremely low-income, low-income, moderate-income, and middle-income families, renters and owners, elderly persons, persons with disabilities, including persons with HIV/AIDS and their families, single persons, large families, public housing residents, victims of domestic violence, families on the public housing and section 8 tenant-based waiting list, and discuss specific housing problems, including: cost-burden, severe cost- burden, substandard housing, and overcrowding (especially large families).
2. To the extent that any racial or ethnic group has a disproportionately greater need for any income category in comparison to the needs of that category as a whole, the jurisdiction must complete an assessment of that specific need. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least ten percentage points higher than the percentage of persons in the category as a whole.

General Statement: The following narrative, the data base presented, is largely unchanged from that presented in the 2006 Con Plan since 2000 Census data is still official. This Plan does, however, recognize the radical changes in the housing market and in employment and social characteristics in the past three years. As a result, although the numbers remain largely unchanged, the analysis is updated to reflect new economic and market realities.

3-5 Year Strategic Plan Housing Needs response: The following narrative, with the Housing Needs Analysis, **(Attachment C)** addresses both of the above questions. Due to the severe economic downturn in SE Michigan and the accompanying increase in residential foreclosures, the County prepared a foreclosure distress matrix **(Attachment D)**, for its NSP Substantial Amendment. This document is germane to the analysis and is therefore incorporated into this Plan.

There are 222,741 resident households in the Consortium's jurisdiction, based on the 2000 CHAS data supplied by HUD. Of these 49,264 rent and 173,477 own. Of the total, 77,259 households, slightly over 1 in 3, have incomes \leq 80% MFI, and could require some form of housing assistance. The following narrative illustrates housing need by income level, tenure, disability status, and race and ethnicity. It should be read in conjunction with the Housing Needs table, which provides more detail. The combined data provides a comprehensive assessment of housing need throughout the Consortium's jurisdiction. **(Note:** The number of household differs slightly from the number of units in the Housing market Analysis Table. This is likely due to vacant units.)

Renter Households

ELI (Extremely-Low-Income) Renters: According to the CHAS data, there were 9,928 ELI renter households living in the jurisdiction of the Macomb HOME Consortium. This sub-population has incomes at or below 30% of Median Family Income (MFI) as defined by the U.S. Census Bureau, and comprises 20.1% of all renters. Of the total...

- 4,105 or 41.3% of all renters, are elderly.
- 2,745 or 27.6% are small households; i.e. having 4 or fewer members.
- 366 or 3.7% reside in large households; i.e. having 5 or more members.
- 2,712 or 27.3% were "Other".
- 3,097 or 31.2% have mobility and self-care limitations.
- 192 or 1.9% are Hispanic.
- 776 or 7.8% are African-American.
- 257 or 2.6% are of Asian origin.

ELI renters evince a high degree of need for housing assistance. The 2000 CHAS data indicate that roughly 70% of all ELI renter households have some housing problem; i.e. they live in substandard conditions; that over two-thirds are cost-burdened (i.e. they pay more than 30% of their income for rent), and that over one-half are severely cost-burdened (i.e. they pay more than 50% of their incomes for rent). This suggests a need for programs of rental rehabilitation and assistance.

Residents with mobility and self-care limitations, and African-American, Asian, and Hispanic households evince a higher, and possibly disproportionate, degree of need.

LI (Low-Income) Renter Households: LI households have incomes between 31% and 50% of MFI. There were a total of 7,646 LI renter households, 15.5% of all renters, living in the Consortium's jurisdiction during 2000. Of these...

- 2,646 or 34.6% were elderly.
- 2,321 or 30.3% were small family households.
- 349 or 4.6% were large family households.
- 2,353 or 30.7% were "Other".
- 1,668 or 21.8% had mobility and self-care limitations.
- 188 or 2.4% were Hispanic.
- 410 or 5.3% were African-American.
- 143 or 1.9% were of Asian origin.

LI renters still evince a compelling need for housing assistance. The numbers living in substandard housing (having any housing problem) and those which are cost-burdened remain almost as high as for ELI households, at roughly 65% and 62% respectively. There is a sharp decline in the number of severely cost-burdened households (down to roughly 15%), probably due to increased incomes.

The need is almost evenly split between elderly, small, and "Other" households, but there are few large LI large family renter households. Almost 10% of the need identified rests among minorities. African-Americans, with 5.2% in need vs. 3% of the total population, have the greatest need. The number of individuals with mobility and self-care problems is high.

MI (Moderate-Income) Renter Households: MI households have incomes between 51% and 80% of MFI. There were 11,655 MI renter households, or 23.7% of all renters, living in jurisdiction of the Macomb HOME Consortium in 2000. Of these...

- 1,982 or 17.0% were elderly.
- 3,807 or 32.7% were small family households.
- 616 or 5.3% were large family households.
- 5,250 or 45.0% were "Other".
- 1,676 or 14.4% had mobility and self-care limitations.

- 256 or 2.2% were Hispanic.
- 638 or 5.5% were African-American.
- 339 or 2.9% were of Asian origin.

Among MI renters, the need seems to shift from elderly (down to 17% of the total) to “Other” (at 45%) and small families (at 33%). There were few MI large renter families in need compared with other family types. Aggregated, 10.6% of the Consortium’s minority population requires housing assistance, suggesting a slight disproportion to their share (7%) of the general population. There are fewer MI households with mobility and self-care limitations in need of rental assistance, although the number is still large (at 14.4%).

As one might expect, higher incomes leave fewer MI households living in substandard housing (roughly 23%) and which are cost-burdened (roughly one in five). There are virtually no (2%) severely cost-burdened MI households residing in the jurisdiction of the Macomb HOME Consortium. Programs of rental rehabilitation, renter assistance, and possibly homebuyer assistance are indicated.

Other (Non-Lower Income) Renter Households:

It is not possible to provide a breakdown among households with incomes between 81% and 95% of MFI because the CHAS data does not provide that information. Consequently, this analysis calculates the numbers among households above the 80% MFI level. According to the CHAS data, there were, in 2000, a total of 20,035 renter households with incomes over 80% MFI. This figure represents 40.7% of all renter households in the Consortium’s jurisdiction. Of these...

- 1,372 or 6.8% were elderly.
- 8,020 or 40% were small family households.
- 915 or 4.6% were large family households.
- 9,728 or 48.6% were “Other”.
- 1,751 or 8.7% had mobility and self-care limitations.
- 376 or 1.9% were Hispanic.
- 1,103 or 5.5% were African-American.
- 880 or 4.5% were of Asian origin.

Since this income stratum is not eligible to receive federal housing assistance, an analysis is not offered. It does, however, provide a baseline for evaluating the needs among other income groupings.

Owner Households

There are 173,477 owner households residing within the jurisdiction of the Macomb HOME Consortium. Of the number, 47,030 households, about half, have incomes \leq 80% MFI, and could require some form of housing assistance. The following data illustrates housing need by income level, tenure, disability status, race and ethnicity.

ELI Owners: There were, according to the 2000 HUD CHAS data, 8,985, or 5.1% of all owner households, resident in the jurisdiction of the Consortium. Of these...

- 4,858 or 54.0% were elderly.
- 2,086 or 23.2% were small households.
- 452 or 5.0 % were large households.
- 1,585 or 17.6% were “Other”.
- 4,182 or 46.5% have mobility and self-care limitations.
- 64 or <1% were Hispanic.
- 237 or 2.6% were African-American.
- 73 or <1% were of Asian origin.

As might be expected, there is a disproportionately large number of elderly ELI owner households, followed by a smaller, but still sizeable need among small households. More than 72% of all ELI households had some housing problem, roughly 75% were cost-burdened, and roughly 55% were

severely cost-burdened. These indicators suggest a compelling need for housing assistance, primarily through housing rehabilitation (particularly for elderly homeowners and small families). Programs designed to help reduce cost burden, perhaps by encouraging reducing energy consumption and by improving fiscal management, could be beneficial.

Apart from “Other” and those with mobility and self-care limitations, there is no disproportionate need by race and ethnicity.

LI Owners: There were 12,029 LI owner households, 6.9% of all owners residing in the jurisdiction of the Macomb HOME Consortium. Of these...

- 7,069 or 58.7% were elderly.
- 2,855 or 23.7% were small households.
- 831 or 6.9% were large households.
- 1,274 or 10.6% were “Other”.
- 3,880 or 32.3% have mobility and self-care limitations.
- 92 or <1% were Hispanic.
- 230 or 1.9% were African-American.
- 115 or <1% were of Asian origin.

LI homeowners have lesser, although still high, housing needs than their ELI counterparts. Elderly and small families combined total 83% of all households in need. Under half of all LI owner households had some housing problem or were cost-burdened, and less than one quarter were severely cost-burdened. Assistance would primarily occur through housing rehabilitation, although investments to reduce the cost of housing operations, e.g. through energy reduction, and financial management counseling could still be beneficial.

Apart from those with mobility and self-care limitations (almost one-third of all LI owner households), there appears to be no disproportionate need by sub-population, including race and ethnicity.

MI Owners: There were 26,016 MI owner households residing in jurisdiction of the Macomb HOME Consortium in 2000. They constitute 15% of all owner Households. Of these...

- 10,050 or 40.0% were elderly.
- 9,317 or 35.8% were small households.
- 2,503 or 9.6% were large households.
- 4,146 or 15.9% were “Other”.
- 6,490 or 24.9% had mobility and self-care limitations.
- 215 or <1% were Hispanic.
- 280 or 1.1% were African-American.
- 191 or <1% were of Asian origin.

MI homeowners evince less housing need compared to their ELI and LI counterparts. Roughly one-third had some kind of housing problem or was cost-burdened, while 7% were severely cost-burdened. There still are housing needs, but at a considerably reduced level. There is no disproportion by race or ethnicity, although families with mobility and self-care limitations (one quarter of the total) evince greater needs. Programs of housing rehabilitation are indicated, along with actions to reduce the cost of housing operations, e.g. energy reduction, and financial management to help MI families cope with housing costs on a limited budget.

Other Owner Households:

The other 126,357 households, or 72.9% of all owner households in the jurisdiction of the Consortium, do not qualify for housing assistance. A breakdown, however, is instructive. According to the 2000 CHAS data...

- 15,693 or 12.4% were elderly.
- 78,491 or 62.3% were small family households.

- 15,537 or 12.3% were large family households.
- 16,726, or 13.2% were “Other”.
- 15,259 or 12.0% had mobility and self-care limitations.
- 897 or <1% were Hispanic.
- 1,754 or 1.4% were African-American.
- 1,658 or 1.3% were of Asian origin.

Since this income stratum is not eligible to receive federal housing assistance, an analysis is not offered. It does, however, provide an interesting baseline for evaluating the needs among other income groupings. It is interesting to note, however, that the number of Hispanic and African-American households in this more affluent group is lower than their proportion of the general population.

Although the minority population of Macomb County is not large, only 7% in total, it more than doubled from the 3% recorded in the 1990 census. Minority households reside throughout the County, but specific concentrations may be found in the Cities of Mt. Clemens and New Haven, both with roughly 19% minority (African-American) households. Minority concentrations may be found in the Macomb Gardens neighborhood in Roseville and in the Quinn Road and Colchester neighborhoods of Clinton Township. Sterling Heights does not have appreciable numbers of racial minorities, although it does have numbers of ethnic minorities including Arab-Americans and Albanians. Other communities have smaller but growing minority populations. Based on the 2000 census, however, there are no concentrations. The number of minority residents is expected to grow over time.

Priority Housing Needs (91.215 (b))

1. Identify the priority housing needs and activities in accordance with the categories specified in the Housing Needs Table (formerly Table 2A). These categories correspond with special tabulations of U.S. census data provided by HUD for the preparation of the Consolidated Plan.

General Statement: The following narrative and the base data presented are largely unchanged from 2006 since 2000 Census data is still official. This Plan does, however, recognize the radical changes in the housing market and in employment and social characteristics in the past three years. As a result, although the numbers remain largely unchanged, the analysis is updated to reflect new economic and market realities.

Based on the preceding narrative, further refined in the Housing Needs Analysis table of this Plan, the following priority housing needs have been identified.

- The 2006 Con Plan identified a clear need for renter assistance, particularly among the ELI and VLI populations. That finding still holds and may be stronger today than when originally written, due to the increased availability of vacant, foreclosed homes, and the number of newly unemployed families who may no longer be able to afford homeownership.

Almost 60% (29,214) of all renter households residing within the jurisdiction of the Macomb HOME Consortium have incomes at or below 80% of MFI. The number of households with some housing problem, or paying excessive costs for housing is very high, and programs of rental assistance are indicated. The number of households with a mobility or self-care problem is also high. There is a slightly greater need among racial and ethnic minorities who rent, although their needs are not disparate, compared with the general population as a whole.

Thus far, renter assistance has been provided through HUD's low-rent public housing program, and Section 8 rental assistance provided directly to local housing commissions, through MSHDA, and through the County's CoC. HOME funds support a CHDO rental acquisition program, to create affordable housing for developmentally disabled households. Finally, renter households wishing to buy their own homes have received HOME down-payment assistance.

Renter needs will continue to be addressed primarily through LRPB and Section 8, although the

County intends to continue the referenced CHDO assistance for developmentally disabled individuals. Although not planned at this time, the Consortium, individually and/or collectively, could consider a program to promote renter housing for the non-disabled population. TBRA may be considered as a way to help newly homeless and/or at-risk families obtain housing.

- The proportion of LMI homeowners, i.e. $\leq 80\%$ MFI is less than LMI renters (27% vs. 59.3%). The number (46,839) of LMI homeowners, however, still overwhelms. These families, theoretically at least, require housing assistance, including housing rehabilitation, help in reducing the cost of operation (for cost-burdened households), and down-payment assistance for homebuyers. The number of elderly homeowners who can no longer physically maintain their homes, indicates a need for minor home repair and home chore services.

Due to the need to address the foreclosure crisis, the Consortium will still continue programs of homeowner repair, but with less intensity than in the past. It will, instead, promote homebuyer assistance and otherwise address the foreclosure crisis as its first priority.

2. Provide an analysis of how the characteristics of the housing market and the severity of housing problems and needs of each category of residents provided the basis for determining the relative priority of each priority housing need category.

Please see the immediately preceding narrative.

Note: Family and income types may be grouped in the case of closely related categories of residents where the analysis would apply to more than one family or income type.

3. Describe the basis for assigning the priority given to each category of priority needs.

Priorities were determined as follows: There are more owners who need some form of housing assistance than renters. Renter assistance is currently available through several Federal and State Subsidy programs, including LRPH and Section 8. These target households with incomes at or below 50% of MFI. There are (apart from CDBG and HOME rehabilitation) few counterpart programs for homeowners. The level of assistance to be provided through the HOME and CDBG programs remains best targeted to assisting current homeowners with housing repair and maintenance services, and for assisting families to become homeowners. The specific order of priority follows:

- a. Homebuyer assistance, particularly to address the large number of vacant properties
- b. Tenant-Based Rental Assistance for those newly made homeless or at risk of homelessness,
- c. Property acquisition to provide affordable rental housing for those with special needs.
- d. Homeowner rehabilitation.
- e. Home maintenance and chore services.
- f. Possible rental rehabilitation or development, if appropriate and feasible.

4. Identify any obstacles to meeting underserved needs. *There are several obstacles which follow:*

A Regional Economy At-Risk – Many of the region's traditionally plentiful and high paying jobs have evaporated, and more are at risk of elimination. As a result, families are faced (at best) with economic uncertainty or (at worst) long-term un- or under-employment. Agencies that serve the homeless report increases in the number of formerly blue-collar and middle class families requesting services. For these families, it is difficult, if not impossible, to keep their homes if they already own one, for those who might have purchased a home, it is now difficult, if not impossible, to buy and maintain one. Actual and threatened homelessness is a real threat.

Increased Cost of Home Maintenance and Operation – Despite stagnant or declining income, costs for insurance, utilities, maintenance, and other non-housing necessities, including food, transportation and health insurance, continue to increase, making homeownership more difficult to sustain.

Homeownership vs. Renter Housing May Be Deteriorating - Ownership tends to promote neighborhood stability and is therefore viewed by many as more desirable than rental housing. Macomb County has traditionally had of high rate of homeownership. This may now be changing due to home foreclosures and a lack of traditional buyers. Investors are now more active and may either sell them or rent until the market improves. A major shift may be underway.

Weak Incentives to Maintain Rental Housing - Some rental developments are built for an immediate return on investment, based on tax features designed to encourage development. These can be very lucrative for the developer and beneficial for renter families who are able to obtain decent housing. These incentives diminish over time, however, and the financial incentives may disappear, or become smaller and less of a motivating factor. Owners may have difficulty enforcing leases, and be discouraged from maintaining their properties. This can result in substandard living conditions for renter occupant.

Lack of County Powers - Macomb County lacks municipal planning and enforcement powers and cannot therefore directly adopt or enforce policies to promote affordable housing. This hinders the County's ability to reduce or remove obstacles to underserved needs. Actions taken to overcome these deficiencies are identified elsewhere in this Plan.

Housing Market Analysis (91.210)

*Please also refer to the Housing Market Analysis Table in the Needs.xls workbook

1. Based on information available to the jurisdiction, describe the significant characteristics of the housing market in terms of supply, demand, condition, and the cost of housing; the housing stock available to serve persons with disabilities; and to serve persons with HIV/AIDS and their families. Data on the housing market should include, to the extent information is available, an estimate of the number of vacant or abandoned buildings and whether units in these buildings are suitable for rehabilitation.

General Statement: The following narrative, the data base presented, is largely unchanged from that presented in the 2006 Con Plan since the 2000 census data is still official. This Plan recognizes, however, radical changes in the housing market and in employment and social characteristics in the past three years. As a result, although the numbers remain largely unchanged, the analysis reflects new economic and market realities.

The Housing Market Analysis table, **see Attachment E**, identifies the status of residences, both renter and owner, occupied and vacant in the Consortium. The data, largely derived from Table DP-4 of the 2000 Census, and SEMCOG Community Profiles (also based on 2000 Census data), show a 76% homeowner-oriented market. Vacancies are low (roughly 3%) and the degree of substandardness is even lower across tenure categories. Traditionally, the County's housing stock was in good condition. That statement still obtains but, due to the large number of foreclosed and vacant properties, one finds more deteriorated (and substandard) units than in the past. Rent levels are relatively modest.

2. Describe the number and targeting (income level and type of household served) of units currently assisted by local, state, or federally funded programs, and an assessment of whether any such units are expected to be lost from the assisted housing inventory for any reason, (i.e. expiration of Section 8 contracts).

There were, in 2000, 234,791 housing units in Macomb County. Of these, 178,442 are owner-occupied, and 56,349 are rental. Vacancies stood at 1,690 (rental) and 5,353 (owner), indicative of a tight housing market¹. Although the following narrative is largely unchanged, we believe that the vacancy rates for both owners and renters is higher than in 2000. This data should therefore provide a filter for the following analysis.

Considered by type there are: 178,442 single family units², 56,349 multi-family units, 12,619 mobile homes, and 131 classified as “other”. There is strong growth in the market with an average of between 5,006 and 5,121 new units constructed between 1994 and 2004, factoring in demolitions for the same time.

Conditions and values vary. Older homes require more maintenance and generally have lower values. They tend to be found in inner ring suburbs adjoining the City of Detroit, and in older, established communities in the central and northern parts of the County. Many need repair, and tend to be occupied by elderly or LI households. The types, styles, and conditions vary between and within communities. The average price of owner-occupied housing (in 2000 dollars) was \$139,200, a 37.3% increase over the average price in 1990, while the average contract rent was \$543, a 5.9% decrease over the \$577 average rent recorded in 1990.

In truth, however, these numbers mean little when spread over the County. Prices and rents vary from high to very low, depending on community and condition. In 2006 prices ranged from under \$100,000 to over \$450,000. The 2006 Con Plan suggested that economic conditions in the area could soften the housing market, particularly higher end units. This has come to pass, with declining prices, but increased affordability for families with stable incomes. Opportunities for affordable homeownership now exist, even for families with incomes \leq 80%. This is less true for more expensive units. Macomb County remains affordable and is an attractive place to locate. It surpassed Oakland County in growth rate, and continues to grow, despite the dire economy.

3. Indicate how the characteristics of the housing market will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units. Please note, the goal of affordable housing is not met by beds in nursing homes.

The above factors, combined with available resources, inevitably affect the design of housing programs. Due to the large number of vacant and available housing units, the immediate primary objective will be homebuyer assistance, followed by assistance to families newly made homeless or at risk of becoming homeless, continued acquisition to create affordable rental housing opportunities for developmentally-disabled individuals, homeowner rehabilitation and chore services to help owners remain in their homes, and possibly rental rehabilitation. This will focus on established communities and neighborhoods.

Specific Housing Objectives (91.215 (b))

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve over a specified time period.

Please refer to the immediately preceding narrative and to item #3 on p. 14.

2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.

The Consortium will use every available resource (including Federal, State, other public and private sources) to achieve its housing objectives. It has partnered with public and private housing providers to extend the scope and reach of its housing efforts. Examples include:

- MCCSA weatherization, to combine resources for housing rehabilitation, and to increase the amount of assistance provided, thereby furthering the scope of repair, and increasing the number of homes rehabilitated. Although limited, this will continue.
- Habitat for Humanity, to develop new affordable housing in the Colchester Neighborhood of Clinton Township, Roseville and Sterling Heights.
- Springhill Housing Corporation, to acquire and provide affordable rental housing for developmentally-disable individuals. The individuals served are ELI and could not normally

afford to live independently, but for HOME assistance and supportive services provided through private agencies and the County's Department of Community Mental Health. The Consortium continues to support this initiative.

- Possible collaboration with other housing partners as opportunities arise.
- Collaboration with local lenders through the Neighborhood Stabilization Program.

Needs of Public Housing (91.210 (b))

In cooperation with the public housing agency or agencies located within its boundaries, describe the needs of public housing, including the number of public housing units in the jurisdiction, the physical condition of such units, the restoration and revitalization needs of public housing projects within the jurisdiction, and other factors, including the number of families on public housing and tenant-based waiting lists and results from the Section 504 needs assessment of public housing projects located within its boundaries (i.e. assessment of needs of tenants and applicants on waiting list for accessible units as required by 24 CFR 8.25). The public housing agency and jurisdiction can use the optional Priority Public Housing Needs Table (formerly Table 4) of the Consolidated Plan to identify priority public housing needs to assist in this process.

Six public housing commissions serve the Consortium. Each provides LRPB and all but two administer Section 8 Voucher programs for an aggregate total of 795 units of LRPB and 489 Section 8 Vouchers. MSHDA provides approximately 900 Section 8 Vouchers, and the CoC issued almost 150 HARP Vouchers for homeless individuals. The Housing Market Analysis Table attached to this Plan shows that most units are in good physical repair, and vacancy rates are low, around 3%, although maintenance and repair is a constant challenge, particularly with declining Federal resources.

There is a large number of applicants on the waiting lists for LRPB and Section 8. As indicated in the Table, the restoration and maintenance needs for all units are roughly \$6,950,000, or \$8,740 per unit on average. Some commissions have greater repair needs than others.

The Section 504 need among existing tenants is 908, and among applicants on the waiting lists, is 652. Further detail may be found in [Attachment C](#).

Public Housing Strategy (91.210)

3-5 Year Strategic Plan Public Housing Strategy response:

1. Describe the public housing agency's strategy to serve the needs of extremely low-income, low-income, and moderate-income families residing in the jurisdiction served by the public housing agency (including families on the public housing and section 8 tenant-based waiting list), the public housing agency's strategy for addressing the revitalization and restoration needs of public housing projects within the jurisdiction and improving the management and operation of such public housing, and the public housing agency's strategy for improving the living environment of extremely low-income, low-income, and moderate families residing in public housing.

Agency Plans for Clinton Township, Eastpointe, Mt. Clemens, New Haven, Roseville and Sterling Heights have been submitted to HUD for review and approval. The Consortium will work with these housing commissions to promote appropriate housing opportunities for public housing residents if possible.

2. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake to encourage public housing residents to become more involved in management and participate in homeownership. (NAHA Sec. 105 (b)(11) and (91.215 (k))

Neither the Consortium nor its member communities have sufficient resources to address the needs of public housing residents, nor can it/they plan to assist in the implementation of resident initiatives.

3. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation. (NAHA Sec. 105 (g))

The Clinton Township Housing Commission Section 8 Voucher program has unresolved HUD monitoring findings, and is therefore deemed a troubled agency. The resolution rests with correction of the findings, and we are confident that this will occur. Neither the Township of Clinton nor the County have financial or resources appropriate to resolve the findings.

Barriers to Affordable Housing (91.210 (e) and 91.215 (f))

1. Explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing are affected by public policies, particularly those of the local jurisdiction. Such policies include tax policy affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment.
2. Describe the strategy to remove or ameliorate negative effects of public policies that serve as barriers to affordable housing, except that, if a State requires a unit of general local government to submit a regulatory barrier assessment that is substantially equivalent to the information required under this part, as determined by HUD, the unit of general local government may submit that assessment to HUD and it shall be considered to have complied with this requirement.

3-5 Year Strategic Plan Barriers to Affordable Housing response:

The County completed an Analyses of Impediments to Fair Housing (AI) in January 2005 to examine housing availability, whether fair housing practices are in place, and whether there are any barriers to achieving the goal of fair housing for all residents, and each has acted to remove these barriers. This AI applies to the HOME Consortium. Examined more closely one finds that....

Macomb County lacks direct controls over local zoning and policies pertaining to housing. In recognition of this, the County works with communities to promote sound planning and development. The County, for example, assessed the needs of a rapidly aging population in order to help the elderly maintain their independence for as long as possible. The findings have been disseminated to communities and are being used to help them design and implement elderly-friendly building and facility enhancements.

The other Consortium members have such powers, and have created favorable conditions for affordable housing. A summary of individual community actions to promote affordable housing follows. An "all" answer includes action by Macomb County:

- Review of affordability, conditions, trends, and real estate and lending practices. These generally found no evidence of government policies harmful to the development of affordable housing. (All.)
- Enacted flexible Zoning Ordinances establishing reasonable single and multi-family densities to